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MD
4/23/04

STM(305C)
CG
PATENT
Customer No. 22,852
Attorney Docket No. 08049.0920
S/13/04

CERTIFICATE UNDER 37 CFR § 1.10 OF MAILING BY EXPRESS MAIL

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By:

Kay Teague

(Kay Teague)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

)

Harry DARTY

)

Attention: LICENSING AND REVIEW

)

Serial No.: 10/632,466

)

Group Art Unit: 2632

)

Filed: August 1, 2003

)

Examiner: To be assigned

For: HAZARDOUS MATERIAL MAIL
COLLECTION POINT-OF-USE

)

)

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

*RECEIVED
APR 30 2004
U.S. Patent and Trademark Office*

Sir:

RESPONSE TO INFORMAL REQUEST FOR PROPERTY RIGHTS STATEMENT

In response to the informal request for a property rights statement regarding National Aeronautical and Space Administration ("NASA"), mailed March 11, 2004, to which a response is due forty-five days thereafter, Applicant submits a Declaration for filing in this application.

Respectfully submitted,

FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.

Dated: April 23, 2004

By:

Robert E. Converse

Reg. No. 27,432

Reg. No. 26,014

DECLARATION

I, Harry Darty, citizen of Ghana and of the United States, residing at 6224
Panther Ct., St. Charles, MD 20603-4409 declare:

1. That I am the inventor of the invention described and claimed in U.S. Patent Application Serial No. 10/632,466, filed August 1, 2003, and entitled "HAZARDOUS MATERIAL MAIL COLLECTION POINT-OF-USE."

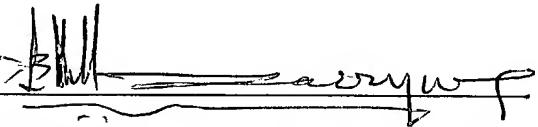
2. That I conceived this invention as an employee of Human Resources Systems, Inc. ("HRSI"), a company under contract with the United States Postal Service ("USPS") to provide design services. See the attached USPS Contract/Order No. 266351-99-B-0746 and Attachment No. 01, entitled "Statement of Work," referenced therein. The invention is related to the work I was employed to perform and was made within the scope of my employment duties. I designed this invention during working hours and using the facilities, equipment, materials, information and services of HRSI and the USPS.

3. The invention was not conceived or first actually reduced to practice under any contract of the National Aeronautics and Space Administration, nor is there any relationship of the invention to the performance of any work under any contract of the National Aeronautics and Space Administration.

The undersigned inventor declares further that all statements made herein of his own knowledge are true and further that these statements are made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and

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that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Inventor's Signature: 

Post Office Address: 6224 Panther Court, St. Charles, MD, 60203-4409

Date: April 22, 2004


ALTERNATIVE 2

ORDER/SOLICITATION/OFFER/AWARD OFFEROR TO COMPLETE BLOCKS 13, 14, 16, 18, 23, 24 and 29				1 REQUEST NO 99-0625	PAGE 1 OF 2
CONTRACT ORDER NO 266351-99-B-0746	3 AWARD/EFFECTIVE DATE 06-01-99	4 MASTER/AGENCY CONTRACT NO	5 SOLICITATION NO 266351-99-A-0091		
7 FOR SOLICITATION INFORMATION CALL → JANE M. O'BRIEN			b TELEPHONE NO (612) 851-1179	c FAX/SIMILAR NO (612) 851-1115	6 SOLICITATION ISSUE DATE 12/01/1998
9 ISSUED BY PURCHASING & MATERIAL SERVICE CTR 2051 KILLEBREW DR SUITE 610 MINNEAPOLIS MN 55425-1880			10 ACO CODE 266351	11 SOLICITATION METHOD <input type="checkbox"/> RFO <input checked="" type="checkbox"/> RFP <input type="checkbox"/> ORAL	12 DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS CHECKED <input type="checkbox"/> SEE SCHEDULE
EMAIL			13 DISCOUNT TERMS None Net-30		

14a SUPPLIER Human Resource Systems, Inc. (HRSI) 2550 Huntington Avenue Alexandria, VA 22303-1499		15a BILLING INSTRUCTIONS SAME AS DELIVERY/PERFORMANCE ADDRESS
TEL: (703) 329-4214 FAX: (703) 329-4623 EMAIL: Robin.Mark@VSECorp.com		15b SUBMIT INVOICES TO ADDRESS SHOWN BLOCK 15a UNLESS BLOCK IS CHECKED <input type="checkbox"/> SEE ADDENDUM
16 TYPE OF BUSINESS ORGANIZATION (Check all that apply) a <input type="checkbox"/> MINORITY BUSINESS b <input type="checkbox"/> WOMAN-OWNED 1 <input type="checkbox"/> BLACK AMERICAN c <input type="checkbox"/> SMALL BUSINESS 2 <input type="checkbox"/> HISPANIC AMERICAN d <input type="checkbox"/> EDUCATIONAL OR 3 <input type="checkbox"/> NATIVE AMERICAN e <input type="checkbox"/> OTHER NON-PROFIT 4 <input type="checkbox"/> ASIAN AMERICAN f <input checked="" type="checkbox"/> NONE OF THE ABOVE ENTITIES		17a DELIVERY ADDRESS See Part 1
18 TAXPAYER IDENTIFICATION NO 54-1547974		17b PHONE NO 17c DELIVER BY/END DATE

19 ITEM NO	20 SCHEDULE OF SUPPLIES/SERVICES	21 QUANTITY	22 UNIT	23 UNIT PRICE	24 AMOUNT
01.	REGULAR TIME MULTIPLIER (THE NEGOTIATED HOURLY RATE OF THE EMPLOYEE WILL BE MULTIPLIED BY THIS.)	1.000	EA	1.39	1.42
02.	OVERTIME MULTIPLIER	1.000	EA	1.15	1.15
03.	DOLLAR AMOUNT THAT WOULD BE ADDED TO AN EMPLOYEE'S WAGES SHOULD THAT EMPLOYEE ELECT NOT TO PARTICIPATE IN HEALTH BENEFIT COVERAGE.	1.000	EA	\$1.39/hour	--
04.	NOTE: USPS WILL NOT REIMBURSE FOR THIS ITEM. PROVIDE THIS AS INFORMATION ONLY. REDUCTION IN MULTIPLIER FOR EMPLOYEES ELECTING NOT TO TAKE HEALTH BENEFIT	1.000	EA	-0-	--

TOTAL AWARD AMOUNT (USPS Use Only)

26a <input type="checkbox"/> Solicitation incorporates By Reference PM Provision 4-1 INSTRUCTION TO OFFERORS - COMMERCIAL ITEMS, and PM Clause 4-2 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS PM Provision 4-3 OFFEROR REPRESENTATION AND CERTIFICATIONS - COMMERCIAL ITEMS, and PM Clause 4-3 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS. <input checked="" type="checkbox"/> are <input type="checkbox"/> are not attached

26b <input checked="" type="checkbox"/> Contract/Purchase Order incorporates By Reference PM Clause 4-2 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS PM Clause 4-3 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS. <input checked="" type="checkbox"/> is <input type="checkbox"/> is not attached

27. <input checked="" type="checkbox"/> The supplier is required to sign this document and return 2 copies to the issuing office. The supplier agrees subject to the terms and conditions specified herein, to provide and deliver all items identified above and on any additional sheets	28 <input checked="" type="checkbox"/> Award of Contract Reference HRSI Offer dated 12/28/98 Your offer on solicitation (block 5), including any additions or changes that are set forth herein, is accepted as to items 01,02,03 and 04 .
---	--

29a SIGNATURE OF SUPPLIER <i>Robin Mark</i>	30a UNITED STATES POSTAL SERVICE (SIGNATURE OF CONTRACTING OFFICER) <i>Nancy E. Hester</i>
--	---

29b PRINTED NAME AND TITLE OF SUPPLIER Mark A. Robin, President	29c DATE SIGNED 12/28/98	30c PRINTED NAME OF CONTRACTING OFFICER Nancy E. Hester	30d DATE SIGNED 5/28/99
---	------------------------------------	---	-----------------------------------

Human Resource Systems.

ORDER/SOLICITATION/OFFER/AWARD - CONTINUATION

ACQUISITION NO
99-0825

PAGE 2 OF 2

2 CONTRACT/ORDER NO	3 AWARD/EFFECTIVE DATE	4 MASTER AGENCY CONTRACT NO	5 SOLICITATION NO	6 SOLICITATION ISSUE DATE
			266351-99-A-0091	1998/12/01

19 ITEM NO	20 SCHEDULE OF SUPPLIES/SERVICES	21 QUANTITY	22 UNIT	23 UNIT PRICE	24 AMOUNT
	COVERAGE. PROVIDE THIS AS INFORMATION ONLY. Subject to the terms and conditions of HRSI's Price Proposal.				

CONTRACT NUMBER 266351-99-B-0746
 PROFESSIONAL SERVICES – HRSI

<u>USPS FACILITY</u>	<u>COMMITTED FUNDS</u>
USPS FSO ATTN ED STRAIN 6800 W 64 TH STREET SUITE 100 OVERLAND PARK KS 66202-4171 913-831-1855 EXT 411	\$301,000.00 P/A 8-6K-193045-E-946
USPS FSO ATTN JEANNE WARREN 6 GRIFFIN ROAD NORTH WINDSOR CT 06006-0300 860-285-7190	\$ 80,000.00 P/A 9-6K-089904-E-101
USPS FSO ATTN DOLLY TOKASZ P O BOX 701 COLUMBIA MD 21044-3505 410-997-6214	\$200,000.00: P/A 9-7X-232098-E-925 \$100,000.00: P/A 9-6K-232098-E-891
USPS FSO ATTN PATRICIA KIDD P O BOX 27497 GREENSBORO NC 27498-1103 336-665-2841	\$316,720.00 PS 7381
USPS DISTRICT SUPPORT SERVICES ATTN TOM O'DONNELL 1165 SECOND AVENUE DES MOINES IA 50318-9111 515-278-2141	\$25,000.00: 1/2/9-4I-182412-E-101 \$25,000.00: 1/2/9-4I-182412-E-103 <i>1/2/9-4I-182412-E-103</i> <i>931</i> <i>\$50,000 OK</i>
USPS DISTRICT SUPPORT SERVICES ATTN STEVE KRAMER 5050 SOUTH 2 ND STREET MILWAUKEE WI 53207-6003 414-482-7800	\$48,000.00 P/A 9-4I-565484-E445

USPS ENVIRONMENTAL ATTN JUDY WINGO-STALINGER 244 KNOLLWOOD DRIVE 3 RD FLOOR BLOOMINGDALE IL 60117-5060 630-539-5565	\$600,00.00 PS 7381
USPS FSO ATTN TERRI JACOBSEN 222 S RIVERSIDE PLAZA SUITE 1200 CHICAGO IL L60606-6154 312-669-5950	\$184,000.00 P/A 8-6X-162640-E-702
USPS DISTRICT SUPPORT SERVICES ATTN RICHARD HERTZ PS 7381 1720 MARKET STREET ROOM 3021 ST LOUIS MO 63155-9991 314-436-4685	\$186,400.00
USPS FSO ATTN JAE PAK 8055 E TUFTS PARKWAY #400 DENVER CO 80237-2881 303-220-6541	\$950,000.00 PS 7381

TOTAL: NTE \$3,016,120.00

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266351-99-A-0091

PART 1 - CONTINUATION SHEET/SCHEDULE

1.1 DELIVERY/PERFORMANCE

FOB Point Legend

A = Prepay/Add Charges
C = Commercial Bill of Lading
D = Destination
E = Other (e.g. Pick-up)
G = Government Bill of Lading
P = USPS Pre-paid Mailing Labels

DELIVERY ADDRESS:

**SEE ATTACHMENT 3
USPS SITE LOCATIONS**

CONTRACT PERIOD: One (1) year with eight (8) one year renewal options.

Item Number: 01.

Description: REGULAR TIME MULTIPLIER (THE NEGOTIATED HOURLY RATE OF THE EMPLOYEE WILL BE MULTIPLIED BY THIS.)

Quantity FOB Point

1 D

Item Number: 02.

Description: OVERTIME MULTIPLIER

Quantity FOB Point

1 D

Item Number: 03.

Description: DOLLAR AMOUNT THAT WOULD BE ADDED TO AN EMPLOYEES WAGES SHOULD THAT EMPLOYEE ELECT NOT TO PARTICIPATE IN HEALTH BENEFIT COVERAGE.

NOTE: USPS WILL NOT REIMBURSE FOR THIS ITEM. PROVIDE THIS AS INFORMATION ONLY.

Quantity FOB Point

1 D

Item Number: 04.

Description: REDUCTION IN MULTIPLIER FOR EMPLOYEES ELECTING NOT TO TAKE HEALTH BENEFIT COVERAGE. PROVIDE THIS AS INFORMATION ONLY.

Quantity FOB Point

1 D

* SAMPLE MULTIPLIER:

(Employee making \$20.00 per hour)

Regular Time: 40 Hr x \$20.00 x 1.5 multiplier = \$1,200.00
Overtime: 4 Hr x \$30.00 x 1.4 multiplier = 168.00

Evaluation cost/price: \$1,368.00

NOTE: Items 3 & 4 will not be a part of the cost/price evaluation. These items are for information only. It is a benefit that the contractor offers employees who elect not to take health benefits. The contractor may include this amount in the employee's pay. However, the U. S. Postal Service shall not be billed for an amount greater than that amount which would be billed if the employee had elected to take the health benefits.

1.2 ACKNOWLEDGMENT OF AMENDMENTS (Clause OB-199) (January 1997)

The offeror acknowledges receipt of amendments to the solicitation numbered and dated as follows:

Amendment Number Date Amendment Number Date

Four sets of horizontal lines for handwriting practice. Each set consists of a solid top line, a dashed midline, and a solid bottom line.

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PART 2 - CLAUSES**2.1 OPTION TO RENEW (WITH PRELIMINARY NOTICE) (Clause 2-20) (January 1997)**

This contract is renewable, at the option of the Postal Service, by the contracting officer giving written notice of renewal to the supplier within the period specified in the Schedule; provided that, the contracting officer will have given preliminary notice of the Postal Service's intent to renew at least sixty (60) days before this contract is to expire (such a preliminary notice will not be deemed to commit the Postal Service to renewals). If the Postal Service exercises this option for renewal, the contract as renewed includes this option clause. The duration of this contract, including renewals, may not exceed the time limit set forth in the Schedule.

2.2 PARTICIPATION OF SMALL, MINORITY AND WOMEN-OWNED BUSINESS (Clause 3-1) (January 1997)

- a. The policy of the Postal Service is to encourage the participation of small, minority and woman-owned business in its purchases of supplies and services to the maximum extent practicable consistent with efficient contract performance. The supplier agrees to follow the same policy in performing this contract.
- b. The supplier will submit a report to the contracting officer within 10 calendar days after the end of each quarter, describing all subcontract awards to small, minority, or woman-owned businesses. The supplier agrees to cooperate in any studies or surveys related to small, minority and woman-owned business subcontracting that may be conducted by the Postal Service.

2.3 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (Clause 4-2) (January 1997)

- a. **Inspection and Acceptance.** The supplier shall only tender for acceptance those items that conform to the requirements of this contract. The Postal Service reserves the right to inspect or test supplies or services that have been tendered for acceptance. The Postal Service may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Postal Service must exercise its post acceptance rights (1) within a reasonable period of time after the defect was discovered or should have been discovered and (2) before any substantial change occurs in the condition of the items, unless the change is due to the defect in the item.
- b. **Assignment.** The supplier or its assignee's rights to be paid amounts due as a result of performance of this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).
- c. **Changes.** Changes in the terms and conditions of this contract may be made only in written agreement of the parties.
- d. **Disputes.** This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at PM B-9 Claims and Disputes, which is incorporated herein by reference. The supplier shall proceed diligently with performance of this contract pending final resolution of any dispute arising under the contract.
- e. **Definitions.** The clause at PM B-1, Definitions, is incorporated herein by reference.

- f. Excusable delays. The supplier shall be liable for default unless nonperformance is caused by occurrence beyond reasonable control of the supplier and without fault or negligence such as acts of God or the public enemy, acts of the Postal Service in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The supplier shall notify the contracting officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the contracting officer of the cessation of such occurrence.
- g. Invoice. The supplier shall submit an original invoice and three copies (or electronic invoice if authorized) to the address designated in the contract to receive invoices. An invoice must include
 - 1. Name and Address of the supplier
 - 2. Invoice date;
 - 3. Contract number, contract line number and if applicable, the order number;
 - 4. Description, quantity, unit of measure, unit price and extended price of the items delivered;
 - 5. Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on a Postal Service bill of lading;
 - 6. Terms of any prompt payment discount offered;
 - 7. Name and address of official to whom payment is to be sent; and
 - 8. Name, title and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment.

- h. Patent indemnity. The supplier shall indemnify the Postal Service and its officers, employees and agents against liability, including costs for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, or copyright, arising out of the performance of this contract, provided the supplier is reasonably notified of such claims and proceedings.
- i. Payment. Payment shall be made for items accepted by the Postal Service that have been delivered to the delivery destinations set forth in this contract. The Postal Service will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Payments under this contract may be made by the Postal Service either by check, electronic funds transfer or government credit card at the option of the Postal Service.

In conjunction with any discount offered for early payment, time shall be computed from the date of the invoice. For purposes of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the date on which an electronic funds transfer was made.

- j. Risk of loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the supplier until, and shall pass to the Postal Service upon:
 - 1. Delivery of the supplies to a carrier, if transportation of f.o.b. origin, or;
 - 2. Delivery of the supplies to the Postal Service at the destination specified in the contract, if transportation is f.o.b. destination.

- k. Taxes. The contract price includes all applicable Federal, State, and local; taxes and duties.
- l. Termination for the Postal Service's convenience. The Postal Service reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the supplier shall immediately stop all work and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the supplier shall be paid a percentage of the work performed prior to the notice of termination, plus reasonable charges the supplier can demonstrate to the satisfaction of the Postal Service using its standard record keeping system, have resulted from the termination. The supplier shall not be required to comply with the cost accounting standards and principles for this purpose. This paragraph does not give the Postal Service any right to audit the supplier's records. The supplier shall not be paid for any work performed or costs incurred which reasonable could have been avoided.
- m. Termination for default. The Postal Service may terminate this contract, or any part hereof, for default by the supplier, or if the supplier fails to provide the Postal Service, upon request, with adequate assurances of future performance. In the event of termination for default, the Postal Service shall not be liable to the supplier for any amount for supplies or services not accepted, and the supplier shall be liable to the Postal Service for any and all rights and remedies provided by law. If it is determined that the Postal Service improperly terminated this contract for default, such termination shall be deemed a termination for convenience.
- n. Title. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Postal Service upon acceptance, regardless of when or where the Postal Service takes physical possession.
- o. Warranty. The supplier warrants and implies that the items delivered under this contract are merchantable and fit for the use for the particular purpose described in this contract.
- p. Limitation of liability. Except as otherwise provided by an express or implied warranty, the supplier will not be liable to the Postal Service for consequential damages resulting from any defect or deficiencies in accepted items.
- q. Other compliances. The supplier shall comply with all applicable Federal, State, and local laws, executive orders, rules and regulations applicable to its performance under this contract.
- r. Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order: (1) the schedule of supplies and services; (2) the Assignment, Disputes, Payments, Invoice, Other Compliances and Compliance with Laws Unique to the Postal Service Contracts paragraphs of this clause; (3) the clause at 4-2 Contract Terms and Conditions Required to Implement Statutes or Executive Orders - Commercial Items; (4) addenda to this solicitation or contract, including any license agreements for computer software; (5) solicitation provisions if this is a solicitation; (6) other paragraphs of this clause; (7) PS Form 8203; (8) other documents, exhibits, and attachments, and (9) the specifications.

2.4 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS (Clause 4-3) (January 1997)

- a. The following clauses are incorporated in this contract by reference:
 1. Clause 9-1, Convict Labor (January 1997)
 2. Clause 9-5, Contract Work Hours and Safety Standards Act - Safety Standards (January 1997)

b. The following clauses are incorporated in this contract by which the contracting officer has indicated as being incorporated in this contract by reference:
(Contracting officer will check as appropriate.)

[] (1) Clause 3-1. Participation of Small, Minority and Woman-owned Business (January 1997)

[X] (2) Clause 3-2. Small, Minority and Woman-owned Business Subcontracting Requirements (January 1997)

c. The following clauses are incorporated in this contract by which the contracting officer has indicated as being incorporated in this contract by reference:
(Contracting officer will check as appropriate.)

[X] (1) Clause 9-10. Service Contract Act (January 1997)

[] (2) Clause 9-12. Fair Labor Standards Acts and Service Contract Act - Price Adjustments (January 1997)

[] (3) Clause 9-2. Contract Work Hours and Safety Standards Act - Overtime Compensation (January 1997)

[] (4) Clause 9-3. Davis Bacon Act (January 1997)

d. Examination of Records. The Postal Service or its authorized representative shall have access to and right to examine any of the supplier's directly pertinent records involving transactions related to this contract. The supplier shall make available at its offices at all reasonable times the records, materials and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified for particular records. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

As used in this clause, records include books, documents, account procedures and practices, and other data, regardless of type and regardless of form. This does not require the supplier to create or maintain any record that the supplier does not maintain in the ordinary course of business or pursuant to a provision of law.

e. Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), or (d) of this clause, the supplier is not required to include any PM clause, other than those listed below (and as may be required by an addenda to this paragraph) in a subcontract for commercial items or commercial components.

1. Clause 9-7. Equal Opportunity (January 1997)
2. Clause 9-14. Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (January 1997)
3. Clause 9-13. Affirmative Action for Handicapped Workers (January 1997)

2.5 EQUAL OPPORTUNITY PREAMWARD COMPLIANCE OF SUBCONTRACTS (Clause 9-9) (January 1997)

The supplier may not enter into a first-tier subcontract for an estimated or actual amount of \$1 million or more without obtaining in writing from the contracting officer a clearance that the proposed subcontractor is in compliance with equal opportunity requirements and therefore eligible for award.

2.6 NONDISCLOSURE (PROFESSIONAL SERVICES) (Clause 4-4) (January 1997)

The supplier acknowledges that confidential information might be generated or made available during the course of performance of this agreement. In addition to the restrictions on disclosure established under the supplier's code of ethics, the supplier specifically agrees not to disclose any information received or generated under this contract, unless its release is approved in writing by the contracting officer. The supplier further agrees to assert any privilege allowed by law and to defend vigorously Postal Service rights to confidentiality.

2.7 INSPECTION OF PROFESSIONAL SERVICE (Clause 4-5) (January 1997)

- a. The contracting officer may, at any time or place, inspect the services performed and the products, including documents and reports. No matter what type of contract is employed, and in addition to any specific standards of quality set out in this agreement, the contracting officer may reject any services or products that do not meet the highest standards of professionalism. No payment will be due for any services or products rejected under this clause.
- b. Acceptance of any product or service does not relieve the supplier of the duties imposed by supplier's code of professional ethics, and the supplier remains liable for the period allowed under federal law for claims by the United States, for any errors or omissions occurring during performance. All partners or principals agree that they will be jointly and severable liable for such errors and omissions.

2.8 INVOICES (PROFESSIONAL SERVICES) (Clause 4-6) (January 1997)

- a. In addition to the information required elsewhere in this agreement, all invoices for services under this agreement must indicate in detail the following:
 1. Person performing service each day by hour and part of an hour.
 2. Services performed each day by hour and part of an hour.
 3. Rates and charges for each service so detailed.
 4. Individual expenses charged, if allowed under this agreement.
- b. Minimum charges for portions of an hour may be allowed, if such a charging practice has been disclosed before award of this agreement.

2.9 RECORDS OWNERSHIP (Clause 4-7) (January 1997)

Notwithstanding any state law providing for retention of rights in the records, the supplier agrees that the Postal Service may, at its option, demand and take without additional compensation all records relating to the services provided under this agreement. The supplier must turn over all such records upon request but may retain copies of documents produced by the supplier.

2.10 INSURANCE (Clause 7-4) (January 1997)

- a. During the term of this contract and any extension, the supplier must maintain at its own expense the insurance required by this clause. Insurance companies must be acceptable to the Postal Service. Policies must include all terms and provisions required by the Postal Service.
- b. The supplier must maintain and furnish evidence of workers' compensation, employers' liability insurance, and the following general public liability and automobile liability insurance:

	Bodily Injury	Property Damage
General Liability	\$100,000 per person*	Per occurrence (as set forth in the Schedule)
	\$500,000 per accident*	Aggregate (as set forth in the Schedule)
Automobile Liability	\$100,000 per person*	\$10,000 per occurrence
	\$500,000 per accident*	\$10,000 aggregate*

*Unless modified in the Schedule

- c. Each policy must include substantially the following provision:

"It is a condition of this policy that the company furnish written notice to the U.S. Postal Service 30 days in advance of the effective date of any reduction in or cancellation of this policy."

- d. The supplier must furnish a certificate of insurance or, if required by the contracting officer, true copies of liability policies and manually countersigned endorsements of any changes. Insurance must be effective, and evidence of acceptable insurance furnished, before beginning performance under this contract. Evidence of renewal must be furnished not later than five days before a policy expires.
- e. The maintenance of insurance coverage as required by this clause is a continuing obligation, and the lapse or termination of insurance coverage without replacement coverage being obtained will be grounds for termination for default.

2.11 CONTRACTING OFFICER'S REPRESENTATIVE (COR) (Clause OB-21) (June 1988)

- a. A contracting officer's representative (COR) will be appointed by the contracting officer. The name, address, and telephone number of the COR will be provided to the contractor in writing by the contract start date. The COR may be changed at any time by the Postal Service without prior notice to the contractor, but notification of the change, including the name and address of the successor COR, will be promptly provided to the contractor by the contracting officer in writing.
- b. The responsibilities and limitations of the COR are as follows:

1. The COR is responsible for the technical aspects of the project and technical liaison with the contractor. The COR is responsible also for the final inspection and acceptance of all reports and has such other responsibilities as the contract may specify.
2. The COR is not authorized to make any commitments or otherwise obligate the Postal Service or authorize any changes affecting the contract price, terms, or conditions. Any contractor request for changes must be referred to the contracting officer directly or through the COR. No such changes may be made without the contracting officer's express prior authorization. The COR may designate assistant CORs to act for the COR by naming them in writing and transmitting a copy of the designation through the contracting officer to the contractor.

2.12 TRAVEL REQUIREMENTS (Clause OB-41) (June 1988)

Travel required of and performed by the contractor in direct performance of this contract will be reimbursed on a reasonable and actual basis in accordance with the Handbook F-10, Travel (available upon request from the Contracting Officer's Representative (COR)). Travel costs may include transportation, subsistence, and lodging.

2.13 TERMINATION ON NOTICE (Clause OB-581) (January 1981)

This contract may be terminated, in whole or in part, by either party upon 90 days written notice. In the event of such termination, neither party will be liable for any costs, except for payment in accordance with the payment provision of the contract for the actual services rendered prior to the effective date of the termination. When, in the contracting officer's judgment, the interests of the Postal Service require such action, the contract may be terminated by the contracting officer, upon giving the contractor one day's written notice.

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PART 4 - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

Attachment No.	Attachment Title	No. of Pages
01.	Statement of Work	19
02.	Evaluation Factors	3
03.	USPS Site Locations	1
04.	Wage Determination (CO)	9
05.	Wage Determination (IL)	9
06.	Wage Determination (KS)	9
07.	Wage Determination (MD)	9
08.	Sample Health Plan	51
09.	Sample Security Forms	14
10.	Sample Time Sheet	1
11.	Sample Employee Report	1

PROFESSIONAL SERVICES STATEMENT OF WORK

STATEMENT OF WORK:

General

Furnish, as an independent Contractor and not as an agent of the Postal Service, engineering, technical, real estate, professional, and administrative support personnel required to support the National USPS Facilities Organizations.

- a. The Contractor shall provide support services as required by the US Postal Service. Job classifications may be established at the Contracting Officers discretion any time during this contract.
- b. The Contractor shall provide adequate administrative staffing to support the contract at all times. Administrative support includes, but is not limited to, recruitment of personnel, personnel administration, preparation of reports, preparation of billings or invoices, payroll processing, clerical or filing duties associated with the administration of this contract, and all travel expenses incurred by the contractor in the administration of this contract. All costs associated with these activities is considered part of the contractor's overhead and should be covered in the multiplier. See Section A, Items and Prices
- c. The Contractor shall be responsible for requiring each employee working at a Postal Service location display such identification as may be required and directed by the Contracting Officer. All prescribed identification shall immediately be delivered to the Contracting Officer for cancellation upon the release of any employee.
- d. USPS sites are listed on Attachment 3. Additional sites may be added and/or sites deleted throughout life of contract.

Hiring Process

Contractor's Responsibility

- a. When notified by the Postal Service the contractor shall advertise for the required position providing job description and salary range. If requested the contractor is to provide a salary range for the job being advertised and help prepare the job description; this service is considered part of the Contractor's services and is covered in the general overhead and profit multiplier. Under no circumstance is the Contractor to change the job description or advertisement wording without prior approval from the Postal Service.
- b. The Contractor will screen the applicants using the criteria found in the job description provided by the Postal Service and any other specific instructions provided in the request. The Contractor will check references of each prospective employee and ensure the applicants have the qualifications, education, experience, and specific skills necessary to perform effectively in the position. The Contractor will provide the Contracting Officer a list of candidates that best meets the requirements along with their resumes no later than fourteen (14) calendar days after receipt of requirement.
- c. When notified of the selection the Contractor will proceed with the hiring process in accordance with its policy.
- d. The Contractor shall process the necessary paperwork for required background checks, drug testing, credit report, police background report, and other requirements for the intended employee to receive a security clearance. See "Security and Background Checks."

e. The Contractor will provide a copy of the Postal Service's Employee Code of Conduct to each new hire prior to their report date to a Postal Service location. A copy has been included as an attachment. See Section I for listing of attachments. A contract employee working at a Postal Service location is subject to the same standards of conduct as those imposed on Postal Service employees. Failure to meet or abide by these standards is grounds for immediate termination without severance.

f. The Contractor is responsible for ensuring that anyone hired to work at a Postal Service location, completely understands all terms of their employment that the employment is temporary, subject to funding, and the employee is employed for the convenience and at the discretion of the Postal Service. That employment may be terminated at the desecration of the Postal Service with no recourse from the employee with a two week notice or two week severance pay. If termination is due to misconduct by the employee termination shall be immediate and without a two week notice or two week severance pay. The Contractor must also inform individuals hired under the contract that they are subject to termination at any time without use of adverse action or reduction-in-force procedures. Funding is generally on a fiscal year bases, September to September. Contract employee's continued employment is subject to funding as directed by the Postal Service.

g. The Contractor shall provide a copy of this Scope of Work (SOW) to each new hire prior to starting work and require proof the employee has received it and will abide by it. The Contractor shall provide any updates or rewrites of this SOW to all contract employees and require proof the employee has received it and will abide by it. This SOW automatically covers all existing or "Grandfathered-in" employees. The Contractor shall provide a copy of this Scope of Work to existing employees and notify them that their continued employment is subject to it. Contractor shall provide proof existing employees understand this and will abide with the SOW.

h. The Contractor shall provide to the Contracting Officer or designee, prior to the contract employee reporting to work, an "Employee Status Report" signed by the contract employee that includes the following minimum information:

EMPLOYEE STATUS REPORT:

For All Employees

- * Employee Name
- * Employee Social Security Number
- * Employee Job Classification (Classification upon hire) Any change in job classification and the date it was effective
- * Indicate whether the employee is hourly or salaried
- * Description of any Benefits Provided and their cost to the employee (All fringe benefits should be addressed)
- * Original Hire Date -- when the employee began working for the Postal Service (The Postal Service will provide to the Contractor the original hire date for those individuals that are transferred from any predecessor's contractors.)
- * Date of Last Performance Review (Annual)
- * Date of Last Change in Pay
- * Current Hourly Rate of Pay Paid Directly to the Employee
- * Current Hourly Rate USPS Billed (Billing rate is the direct labor rate with the multiplier applied.)
- * Postal Service location where employee is working
- * Thorough explanation of the Performance Review Process
- * Travel requirements of the Position - if applicable
- * A block for the employee to initial verifying receipt of a copy of the Postal Service Employee Code of Conduct
- * Statement the Contract Employee is a temporary employee and is subject to termination at any time without use of adverse action or reduction-in-force procedures.
- * Signature of Contractor employee and date

- * Signature of Contractor or Contractor's Representative and date

For Hourly Employees

- * Regular Time Hourly rate to be paid to employee
- * Over Time Hourly Rate to be paid to employee

For Salaried Employees

- * Regular Time Hourly rate to be paid to employee

NOTE: The above reports may be combined into a single report at the discretion of the local contracting officer.

- i. The Contractor shall develop a form that meets the above requirements and submit it to the Contracting Officer for approval prior to its use. Any employee transferred from a predecessor Contractor must be provided with a new form in the approved format within one (1) month of the effective date of the transfer. The Contracting Officer must have a form signed by both the employee and the contractor's representative before a newly hired employee begins working at a Postal Service location. A draft of this form must be submitted with your offer.

U.S. Postal Service's Responsibility

- a. The Postal Service will notify the Contractor of a personnel need. The Postal Service will furnish the Contractor the job description and salary range to be advertised for. Once the Contractor has provided the Postal Service with resumes, the U. S. Postal Service will review the candidate's resumes, select those candidates who appear most qualified, and negotiate a salary. Interviews of the candidates will be at a location designated by the Contracting Officer. The U. S. Postal Service will advise the Contractor of the final selection, the negotiated hourly straight time rate of pay, indicated weather the candidate is FLSA exempt or not, and provide a reporting date.

Existing Employees

- a. Existing Employees. The successful Contractor shall "Grandfather-in" all benefits of employees hired from any previous contract, if employee has maintained an uninterrupted work status. This includes accrued vacation, accrued sick leave, and retirement benefits such as (but not limited to) 401-K programs that the employee wishes to roll over. Employees and their covered dependents shall not be subject to any pre-existing condition limitations under the medical plan.

b. Attachment 2, lists the employees and positions who are to be "Grandfathered" in" along with sick leave and vacation balance times.

PAYROLL PROCESSING PROCEDURES

a. Examples of the payment forms and payroll processing reports referenced can be found as an attachment.

Weekly Time Sheet (Contract Employees use to report hours worked.)

Weekly Contract Employee Hours Report (Used by Postal Service to report hours worked.) This report may be used to invoice the Postal Service biweekly.

b. Each Contract employee working at a Postal location must complete the form "Weekly Time Sheet" each week; this form serves as a record as to which projects the employee worked on and the hours spent on each activity. It is solely the responsibility of the Contractor and its employees to complete this form by the deadline specified by the Postal Service. The hours recorded on this form is used by the Postal Service to produce the Weekly Contract Employee Hours Report which informs the Contractor of the hours worked by their employees, and if used, to which project authorization the employee's time is charged to.

c. Each office (location) will prepare the following report and provide it to the Contractor each week. This report is intended to inform the Contractor of the number of hours worked by each of their employees and project authorization (if used) or account that is funding their time.

1. The "Weekly Contract Employee Hours Report," which is prepared by each USPS location or office, which summarizes the hours worked by each of the Contractor's employees working at a specific Postal Service location. The Contractor may use this report as an invoice.

d. Annual/Vacation, Sick, Personal, Other, and Holiday time is reported on the Weekly Contract Hours-Reporting sheet; however, Contractor's employment agreement governs payment policy in accordance with employee's contract. The U.S. Postal Service shall not be held liable for any negative balances in Vacation and Sick Leave. Payment of Personal Leave, Vacation, Sick Leave, and Holiday pay shall be the sole responsibility of the contractor. The U.S. Postal Service shall not be responsible for any over payment.

e. The Contractor shall pay their employees working at a postal location on a Biweekly (every two weeks) basis and that payment will be made on the same day each week. Should a payday fall on a holiday, employees should receive their pay checks the day before the holiday. The Contractor is solely responsible for ensuring checks are delivered to its employees in a reliable and consistent manner. Contractor shall provide the benefit of direct deposit for employees requiring or wishing it.

f. The Contractor shall bill the US Postal Service for the hours that hourly employees work. These employees are covered under the Service Contract Act, and shall be classified as hourly employees and paid accordingly. The Contractor shall be responsible for all benefits (holiday, vacation, sick leave pay and group medical costs) et cetera. No separate payment will be made to the Contractor for reimbursement of benefit costs.

g. The Contractor shall bill the US Postal Service for the hours worked for those employees who are listed as professional (salaried) employees. The Contractor shall be responsible for all benefits (holiday, vacation, sick leave pay and group medical costs) et cetera. No separate payment will be made to the Contractor for reimbursement of benefit costs.

Administrative Responsibility

Contractor

- a. If required, the Contractor will complete one 4211-B for each project authorization indicated on this report and submit both the completed 4211-B and their invoices biweekly to each office using this service. Each location is to receive invoices for only those contract employees working at their respective locations.
- b. The Contractor shall be responsible for ensuring timely invoicing to the Postal Service. All invoicing will be done biweekly and be within two (2) weeks of the current week. All documents related to payroll processing must be handled expeditiously by the contractor and be completed by the contractor and returned to the Postal Service within two (2) weeks of initial receipt.
- c. The Contractor must coordinate employee rate changes with the Postal Service. Employee rate changes will be effective at the beginning of the pay period and cannot be changed mid-period. The Postal Service will give the Contractor notice of a rate change and the date the change is effective. Any change that effects billing must be handled in an expeditious manner by the Contractor and coordinated with the Postal Service.
- d. When a Contractor's employee ceases to work for the Postal Service, the Contractor will prepare a PS Form 7307, Contractor's Release (See attached example) form that is to accompany the invoice containing the billing for the employee's last week of work.
- e. If the employee was issued identification badges, keys, security cards, or other Postal property the Contractor is responsible to the US Postal Service for such property and will hold employees last check until the Postal Service has notified the Contractor that all property was returned.. If the employee was issued any US Postal Service equipment, the Contractor is responsible to return the equipment an a serviceable state.
- f. If your firm can provide direct deposit for employees working at a Postal Service location, any cost associated with this shall be included in your multiplier.

EMPLOYEE BENEFITS

General

- a. Contract Employees shall have, at a minimum, the following benefits:
 1. Holidays: Ten (10) paid holidays to coincide with US Postal Service Holidays.
 2. Vacation: Four (4) hours of vacation per eighty (80) paid hours, approximately thirteen (13) days per year. After three (3) years of continuous employment vacation accrual increases to six (6) hours per eighty (80) hours paid.
 3. Sick Leave: Four (4) hours per eighty (80) paid hours.
 4. Group Medical: Individual and family group medical is at no cost, or at a cost commensurate with Postal employee charges, to the employee. Medical benefits, at a minimum, must be equal to the Blue Cross Blue Shield, "Standard Option for Self and or Family" plan. Copy attached. See Section I for listing of attachments.

Note: All benefits as outlined above must be included in the overhead/profit multiplier. No separate payment will be made to the Contractor for reimbursement of above benefits.

Contract Termination / Expiration

Rollover

- a. At termination or expiration of this contract and with subsequent re-issue of a contract the out going contractor shall rollover to the "in-coming" contractor any moneys associated with the accrued sick and vacation hours saved by the employee or employees. This is to maintain the employee's accrued sick and vacation hours from contract to contract. The new contractor shall adjust employee's sick and vacation balances to reflect the roll in. No separate payment shall be made to the out going contractor for this provision.
- b. Reimbursement of unused annual vacation in lieu of rollover. This applies after any probation period and in addition to "b" above. At the employee's option the Contractor shall reimburse the employee for any unused annual vacation, either due to:
 1. Termination of the employee by the employee
 2. Termination of the employee by the Contractor
 3. Termination of the employee by the Postal Service.
 4. Termination or expiration of the contract with no subsequent re-issue.
- c. Unused sick leave is not paid to the employee in the event of termination of the employee or termination/expiration of the contract with no subsequent re-issue of the contract.

Civil Duty Responsibilities

Jury Duty

The employee shall make the determination of accepting either the court wages or the contract wages. The employee shall not accept both as payment, accepting both is grounds for immediate termination without severance pay. The Postal Service will reimburse the Contractor for an employee's jury duty time up to two weeks. The employee shall reimburse the Postal Service any monies given to them by the court except transportation costs failure to do so is grounds for immediate termination without severance pay. Jury time over two weeks is the responsibility of the Contractor. Reimbursement of jury duty time is considered a direct cost; the markup rate will not be applied to jury duty pay.

The Contractor shall provide a statement, with their submittal regarding the company's jury duty policy for paying individuals on jury duty and time off for voting.

Other Civil Duty Responsibilities

Payment for other civil duty responsibilities shall be at the discretion of the Contracting Officer using "jury duty" as a guide. This does not obligate the Postal Service to payment.

The Postal Service shall NOT reimburse employees for time taken for voting privileges.

BIWEEKLY INVOICES

- a. The Contractor will be required to invoice the Postal Service biweekly (every two weeks) for all services rendered during any given two week period. Separate invoices are to be prepared for each office using this service and sent to the responsible office. Addresses to be provided to successful offeror.

b. Contractor invoices shall provide the following information:

1. Contractor Name and Address
2. Invoice Number
3. The Ending Date of the Payroll Week or Biweekly pay period the Invoice is for (Biweekly invoices may be broken down into weekly hours indicating week ending dates. The payroll week begins on Sunday and ends on Saturday)
4. Employee Name

For Hourly Employees

1. Regular Hours Worked by Employee - Broken down weekly
2. Regular Hourly Billing Rate billed to the USPS for each Employee
3. Overtime Hours Worked by Employee - Broken down weekly
4. Overtime Hourly Billing Rate billed to the USPS for each Employee

For Salaried Employees

1. Hours billed to US Postal Service
2. Hourly Billing Rate billed to the USPS for each Employee

- a. At present PS Form 4211-B is not being used; however, IF USED - In addition to the Contractor's invoice, one (1) Progress Payment document - USPS Form 4211B - must also be completed by the Contractor for each project authorization that funds a Contract Employee's time or travel. The Postal Service will be responsible for providing this information and the form to the Contractor each week.
- b. The Contractor's accounting system must be able to produce computerized invoices and be flexible enough to allow one employee's time to be funded by only one or by multiple of project authorization numbers and/or for the funding of several employees' time by a single project authorization number.
- c. The work week begins on Sunday and ends on Saturday. Normal work days are Monday through Friday.
- d. If the Contractor elects not to use the Weekly Hours Report as an invoice, the Contractor shall submit an example of the invoice they propose with their offer. The Contracting Officer must approve the invoice format prior to award. The contract's invoice must conform to the approved format during the life of the contract. Failure to gain invoice format approval shall be grounds for rejection of offer.

Part Time Employees

Definition: Part Time Employee

- a. A part time employee is an employee employed under one of the following conditions:
 1. On a per project bases. This is an employee hired to perform specific duties in conjunction with a specific project or task.
 2. Hired for a specific duration of time not to exceed six months.
 3. At the employee's request to meet special requirements.
 4. Work at home or away from employing office and employee is working in conjunction with other employment which does not conflict with postal business or ethics and no specific hours are set; that is the scope of work would not require the employee to work specifically between the hours of 08:00 a.m. and 5:00 p.m. Monday through Friday.
 5. Employee hired at a fixed and not to exceed dollar amount to perform a specific task.

Part Time Employee Benefits

- a. Part time employees shall not receive the following benefits:
 - 1. Holiday pay
 - 2. Accrue vacation time
 - 3. Accrue sick leave time
 - 4. Medical Benefits
 - 5. Dental Benefits

Part Time Employee Pay

- a. Part time employees shall be paid no less than biweekly and offered direct deposit.

Part Time Employee Converted to Full Time Employee

- a. Conversion shall become effective the first day of the first pay period after the contractor is notified of the employee's conversion.
- b. Sick and vacation time shall start accruing on the same day in paragraph a above.
- c. Contractor may start applying the regular multiplier to the contract employee's rate on the date stipulated in paragraph a above.

Part Time Employee Multiplier

- a. Contractor shall mark up part time employee's pay, cost plus 10% (1.10). This shall cover overhead costs, administrative costs, profit, and any other cost or fee associated with part time employees except travel. No other moneys will be paid in conjunction with part time employee pay.

Part Time Employee Travel

- a. Part time employees shall receive the same travel benefits and travel pay as regular employees.

REIMBURSEMENT FOR TRAVEL EXPENSES

Contractor Responsibility

- a. This section regarding reimbursement for travel applies only to those contract employees working at a Postal Service location and is exclusive of travel expenses incurred by the Contractor resulting from the administration of this contract.
- b. Contract employees working at a Postal Service location will be reimbursed for travel expenses in accordance with the Postal Services Travel Handbook F-10. Excerpts from the Handbook F-10 applicable to this contract are included by reference. An F-10 will be available for employee inspection and training. The employee shall prepare PS Form 1012 with attachments in accordance with Handbook F-10. The Contractor shall reimburse the employee from this form. It is recommended the Contractor use this form as a back up to invoice the respective office. Multiple travel reimbursements may be invoiced on one billing; however, the invoice must be itemized for each employee's reimbursement. The Postal Service will consider this a direct cost; the markup rate will not be applied to travel.
- c. Contract employees will only be reimbursed for travel expenses incurred that are directly related to the performance of their job for the Postal Service and pre-approved and authorized by their Postal Manager. Contract employees must complete the appropriate Postal forms detailing travel expenses, provide the required receipts, and obtain approval of their expenses by a Postal Service Manager before the Contractor will be reimbursed.

- d. Use PS Form 1012 as back up for invoicing the Postal Service for employee travel.
- e. The Contractor must invoice the USPS within two weeks of receiving the PS Form 1012, Travel Voucher.
- f. The Contractor shall provide as an option to its employees the ability to obtain a travel advance in order to ease the financial burden that frequent travel may cause. The amount of this advance shall be reasonable and based upon an individual's frequency of travel and the typical cost of that travel. The monitoring and tracking of these funds will be entirely the responsibility of the Contractor and its employees. Any cost associated with providing this option should be included in the Contractor's multiplier. As an alternative the Contractor may issue the employee a credit card. The employee is responsible for the expenses including any interest incurred on the card and must use the card in accordance with the Contractor's company policy. The Postal Service shall assume no obligation for the expenses, interest, penalties, or fees incurred on the card or by its use.

Employee Responsibility

- a. When traveling on official business, the traveler must plan their travel to accomplish their work with a minimum of time and expense. The least costly mode of transportation providing adequate service must be used. Departure and arrivals should be scheduled to accomplish business efficiently as possible. Normally the contract employee's travel arrangements will be made using the same system that USPS employees are required to use.
- b. Travel Vouchers (PS Form 1012) shall be completed by the employee within five working days from the end date the travel occurred. The traveler must obtain a refund coupon from the carrier if changes in services or destinations were made after tickets were issued when the cost of the travel was reduced. The Postal Service requires the coupon to obtain a refund. Once completed and approved the PS Form 1012 will be the vehicle for invoicing the Postal Service for travel reimbursement.
- c. The Contract Employee shall complete PS Form 1012, Travel Voucher, in accordance with the regulations described in the F-10, Handbook. Once the form is complete and signed by a Postal manager, the front page will be sent to the Contractor.

REPORTS REQUIRED BY THE POSTAL SERVICE

- a. The cost of producing these reports should be included in the Contractor's multiplier or markup factor.
- b. Other information or reports as requested by the Contracting Officer.
- c. The Contracting Officer shall be copied on any correspondence the Contractor issues to its employees working at a Postal Service location when it pertains to administration issues related to the contract.

INSURANCE

- a. See applicable insurance clause. Contractor is to require and provide continuing proof that the contract employee maintains insurance coverage for the employee's vehicle per the insurance clause while on official USPS business. The United States Postal Service shall not be responsible for any damage to a contract employee's vehicle, except in the case of negligence by a Postal employee, nor shall the Postal Service be held responsible for any damage or injury caused by a contract employee.

or vehicle. Failure of a contract employee to maintain insurance coverage per the insurance clause shall terminate employment.

EMPLOYEE AWARDS

- a. At the discretion of the CO or COR an award may be given to an employee as recognition of accomplishments or outstanding performance. Any such award shall be billed to the corresponding office as a direct cost. NO markup rate shall be applied to employee awards.

RESPONSIBILITIES OF THE CONTRACTOR'S PERSONNEL

Rules and Regulations

- a. Contractor's personnel working at a Postal Service location under the terms of this contract will be governed by the regulations in the Procurement Manual and other manuals and regulations, this Scope of Work, and as any of these may be amended or updated that may be applicable in the performance of their work or employment.

Diligence

Performance of Duties

- a. Contract employees shall perform their duties as assigned in a diligent and efficient manner.

Protection of Postal Service Assets

- a. Contract employees shall diligently protect Postal assets and promote the efficient use of such assets.

Image and Professionalism

- a. Contract employees shall maintain a good corporate image and professionalism in accordance with the position assigned to. Questions concerning this issue are to be directed to the immediate manager or supervisor of the employee.

MODE OF TRANSPORTATION

- a. Unless otherwise authorized, the successful Contractor must use the services of the U. S. Postal Service when mailing any correspondence to the Postal Service or to their employees. The services referred to include First Class Mail, Priority Mail, Parcel Post, and Express Mail.

POLICY ON CONTRACTING WITH RETIRED POSTAL CAREER EXECUTIVE SERVICE (PCES) EXECUTIVES OR OFFICERS

Policy

- a. It is the policy of the Postal Service to avoid contracting with retired postal executives or officers to perform substantially the same duties as they performed before retirement. The purpose of the policy is to avoid encouraging the premature retirement of such individuals by rewarding or appearing to reward them through the payment of contract rates which are greater than previous postal pay or

together with a postal annuity would generate enhanced rates of pay beyond that paid for substantially similar work being performed within the Postal Service or by the individual prior to his or her retirement.

Applicability

- a. Postal Service PCES executives for five (5) years after their retirement.

Prohibition

- a. As a matter of policy, the Postal Service will not contract with such individuals, or entities in which such individuals have a substantial interest, for 5 years after their retirement. In furtherance of the same policy, Postal Service contracts will not allow employment of such individuals for 5 years after retirement as key personnel, experts, or consultants when such persons would be doing work directly on projects for the Postal Service.

Exception

- a. The Vice President of Employee Relations may grant exceptions to this policy when it is determined to be in the best interest of the Postal Service.

Scope

- a. This policy is prospective and does not apply to rehired annuitants. Rehired annuitants are defined under the provisions of Employee and Labor Relations Manual 323.3 as those postal employees who have retired with an annuity who are rehired directly by the Postal Service, but not on a contract basis, so that a combination of annuity and active service pay does not equal a sum greater than the rate of Postal Service pay for the position being filled, or whose annuities are discontinued upon rehiring.

TRAINING

- a. From time to time the U.S.P.S will require the contract employee to attend training. The Contract Employee shall complete the appropriate form or forms, in accordance with the regulations. Once the form(s) is complete and signed by a Postal manager, a copy will be sent to the Contractor. The Contractor shall reimburse the employee from this form. It is recommended the Contractor use this form to invoice the respective USPS office. The Postal Service will consider this a direct cost; the markup rate will not be applied to training. Training time directed by the USPS is billed in the same manner as other direct charge work (i.e., labor hour plus multiplier).
- b. The Contractor must invoice the USPS within two weeks of receiving form.
- c. If the Contractor requires an employee to attend training the Contractor is responsible for all expenses incurred including but not limited to travel, per diem, employee salary or rate, and other expenses as may be justified and authorized by the Contractor.

DRUG SCREENING AND RANDOM DRUG TESTING

Note: A prospective employee shall be notified of these tests and agree with this portion to the Scope of Work prior to proceeding with the employment process.

- a. In accordance with U. S. Postal Service policy, the Postal service requires a drug screening test on all new contract employees prior to reporting for work. Employees must pass any drug test to maintain employment.
- b. The Postal Service will require the contractor to conduct random and or selected drug screening test at the discretion of the Contracting Officer. The contractor is to notify employees that random drug tests may be scheduled. Refusal to take a drug test is grounds for immediate termination. Current contract employees are not "grand-fathered" in.
- c. If required by the USPS, all drug tests shall be at the expense of the Contractor to the extent of four (4) tests per employee per year. Additional tests shall be at the expense of the U.S. Postal Service.

SECURITY AND OR BACKGROUND CHECKS

- a. A prospective employee shall be notified of these checks prior to proceeding with the employment process. The COR will determine the level of security clearance required.
- b. All prospective contract employees must receive a background or security check. Security and background checks shall be at the expense of the Contractor. No separate reimbursement shall be provided.
- c. The Contractor shall follow ASM 11, Administrative Support Manual (ASM), to acquire security clearances, background checks, and investigations for the employment of contract employees covered under this contract. This ASM section and as updated applies to any awards made and any option to extend the contract. By reference this section of the ASM is attached to this and any resulting contract and option.
- d. Contractor shall process appropriate forms and perform the necessary actions as listed below and acquire all necessary paperwork as required by ASM-11, to process a prospective employee within twenty one days of receipt of notification to process an employee. Contractor shall us reputable consultants and business to perform security and background checks. Sample forms are attached as appropriate.

Completed: PS Form 2181-C, Authorization and Release - Background Investigation

Completed: PS Form 1357, Request for Computer Access

Acquire: Criminal History Inquiry

- Is not on parole, probation, or under suspended sentence for commission of a felony.
- Has not been convicted of a criminal violation during the past 5 years for offenses that involved dishonesty, moral turpitude, financial gain, or assault.
- Has not been engaged in the illegal use, possession, sale, or transfer of narcotic or other illicit drugs during the past 5 years.
- Does not have pending serious criminal charges such as murder, rape, robbery, burglary, physical assaults, sale and distribution of drugs, or weapons violations.

Acquire: Credit Bureau Inquiry

Acquire: Verification of Employment

Acquire: Verification of U.S. Citizenship

Process: Drug Screening Test and provide results

Completed: PS Form 2031, Sensitive Security Clearance Processing Request

Completed: SF 85P, Questionnaire for Public Trust Position

Completed: FD 258, Applicant Fingerprint Chart (Two copies), as issued and used by the Postal Inspection Service.

INDEMNIFICATION FOR ERRORS AND OMISSIONS - ENVIRONMENTAL

- a. The Postal Service will indemnify and hold harmless the contractor and its employees, directors, or officers for any and all claims, actions, damages, expenses or liability arising from an error or omission of the temporary environmental personnel while performing service within the scope and terms of this contract which is in any way related to environmental contamination, pollution, environmental remediation or cleanup; or any other from a actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants, contaminants, hazardous materials testing, monitoring, clean-up removal, containment, detoxifying, neutralizing or other treatment of such materials and will apply to any claim, suit or other action or proceeding by any governmental or non-governmental entity at any time. This will apply to any facility owned, operated or maintained in any way by the U.S. Postal Service and will apply regardless of any theory of liability or other source of financial responsibility. This indemnification will not apply to the gross negligence of the contractor or its employees.
- b. The indemnification provided under the above paragraph does not include indemnity for claims against the contractor which are presented or pursued by the temporary environmental consultants and relate to the employment relationship between the contractor and the temporary personnel, or peril for which insurance is required by this contract.

PROBATIONARY PERIOD

- a. All new hire contract employees serve a probation period of 120 days at the end of which the postal representative shall evaluate the employee to determine continued employment.

Conversion of Contract Employee to Postal Employee

- a. No term, condition, clause, agreement, or instrument that would otherwise limit or hinder a contract employee's right to become a postal employee, shall be used in the employment or contracting of individuals or companies within the confines of this contract.
- b. A clause requiring each subcontractor to abide by paragraph "a" above shall be in included in any subcontract for the use of this contract and the contractor is require to have each of its subcontractors include such clause in their subcontracts with each lower-tier subcontractor or supplier.

Right to Work

- a. No term, condition, clause, agreement, or instrument that would otherwise limit or hinder a contract employee's right to work for the Postal Service or one of its contractors, including contractor's subcontractors, shall be used in the employment or contracting of individuals or companies within the confines of this contract.
- b. A clause requiring each subcontractor to abide by paragraph "a" above shall be in included in any subcontract for the use of this contract and the contractor is require to have each of its subcontractors include such clause in their subcontracts with each lower-tier subcontractor or supplier.

End of Statement of Work

Attachment 1

CONTRACTOR'S RELEASE

Contractor:

PROJECT: Contract Employee Contract

CONTRACT NO:

FACILITY: Kansas City Facilities Service Office,

Employee:

Pursuant to the terms of the above contract and in consideration of the sum of \$ _____, which has been or is to be paid under the said contract to (Contractor) _____ (hereinafter called the Contractor) or its assignees, if any, the Contractor, upon payment of the said sum by the UNITED STATES POSTAL SERVICE, (hereinafter called the Postal Service), does remise, release and discharge the Postal Service, its officers, agents and employees, of and from all liabilities, obligation, claims, and demands whatsoever under or arising from the said contract except:

1. Specified claims in stated amounts, or in estimated amounts where the amounts are not susceptible of exact statement by the Contractor, as follows:
2. Claims, together with reasonable expenses incidental thereto, based upon the liabilities of the Contractor to third parties arising out of the performance of the said contract, which are not known to the Contractor on the date of the execution of this release and of which the Contractor gives notice in writing to the Contracting Officer within the period specified in the said contract.
3. Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Postal Service against patent liability), including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of the said contract relating to patents.

The Contractor agrees in connection with potent matters and with claims which are not released as set forth above, that it will comply with all of the provisions of the said contract, including without limitation those provisions relating to notification of the Contracting Officer and relating to the defense or prosecution of litigation.

IN WITNESS WHEREOF, this release has been executed this _____ day of _____.
Name of Contractor: Human Resource Systems, Inc.

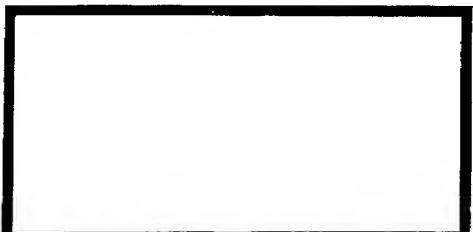
By: _____

Title: _____

CERTIFICATE

I, _____, certify that I am the _____ of the corporation named as Contractor in the foregoing release; that _____, who signed said release on behalf of the Contractor was then (Official Title) _____ of said corporation; that said release was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(CORPORATE SEAL)



PS Form 7307 (FACSIMILE)